

NOTIFICATION TO COUNTY MAYOR OF COMMITTEE MEETING BY MEMBERS OF MAURY COUNTY COMMISSION

The Budget Committee met on Tuesday, August 11, 2015 at 4:30 p.m., in the Maury County Tom Primm County Commission Room with the following Committee Members present:

CRAIG HARRIS, STEWART PARKER, SONNY SHACKELFORD, SCOTT SUMNERS, STEVE HAZARD AND DONNA COOK

OTHERS PRESENT: Gerald Adkison, Ronnie Attkisson, Talvin Barner, Davis Burkhalter, Don Morrow, Terry Potts, Eric Previti, William (Tot) Roddy, Gary Stovall, Debbie Turner, Linda Whiteside, Tommy Wolaver, Mayor Norman, Doug Lukonen, Daniel Murphy, and Media.

MINUTES OF MEETING

- I. CALL TO ORDER:**
Chairman Harris called the meeting to order and took roll call. Chairman Harris asked Commissioner Sumners to sit in for the absence of Commissioner Stephenson.
- II. OPENING PRAYER:**
Commissioner Sumners offered the opening prayer.
- III. REVIEW & APPROVAL OF MEETING AGENDA:**
Commissioner Sumners made a motion to approve the approval of the meeting agenda. Commissioner Hazard seconded. There were no lights. All in favor. Motion Approved.
- IV. REVIEW & APPROVAL OF MINUTES FROM PREVIOUS MEETING(S):**
Chairman Harris stated the minutes were from the July 13, Special Called Budget Committee Minutes, July 14, Regularly Schedule Budget Committee Minutes and the July 30 Special Called Budget Committee Minutes. Commissioner Hazard made a motion to approve. Seconded by Commissioner Parker. Commissioner Shackelford made a motion to add Commissioner Previti to the others present at the July 14 Regular Schedule Budget Committee minutes. Seconded by Commissioner Sumners. Chairman Harris called for the vote on the amendment to included Commissioner Previti and the others present. All in favor. Motion Approved for the Amendment. There were no lights. Chairman Harris called for the vote for the approval of the minutes presented as amended. All in favor. Motion Approved.
- V. COUNTY MAYOR REPORT:**
The Mayor did not have a report.
- VI. FINANCIAL REPORTS:**
 - A. Investment Report-** Doug Lukonen submitted the Investment Report. Mr. Lukonen stated Director Weber has been coming in on a part time basis. Mr. Lukonen stated that Director Weber's condition has improved and Director Weber stays a little longer each

day that she comes in. Mr. Lukonen moved on to the Investment Report. Mr. Lukonen stated the Investment Report starts on page 49 and continues to page 50. Mr. Lukonen stated the interest to date is \$68,377.80. Mr. Lukonen stated he would be glad to answer any questions. There were no lights.

- B. Sales Tax Report- Doug Lukonen submitted the Sales Tax Report (See Attached) Mr. Lukonen stated there is nothing new on the Sales Tax Report. Mr. Lukonen stated he did inform everyone last month of the June revenue that was received for Sales Tax. Mr. Lukonen stated the County has not received July's sales tax. It usually comes in now and between the 15th of the month. There were no lights
- C. 2014-2015 Revenue & Expense Report- Doug Lukonen submitted the Revenue & Expense Report. (See Attached) Chairman Harris stated the 2014/2015 Revenue & Expense accounts there is not an actual budget approved. Mr. Lukonen stated he was asked by Commissioner Sumners and Commissioner Parker to restate June's financial statements. Mr. Lukonen stated the total numbers did change and accounts receivable Journal Entries affected the revenues. Chairman Harris asked Mr. Lukonen if the Budget Office was close to closing the year out. Mr. Lukonen stated the Budget Office is as close as they are going to get and the County is supposed to be closed by audit regulations by August 30 of this year. There was one accounts payable Journal Entry that trickled in today. Mr. Lukonen stated they did not foresee any more accounts receivable entries to occur. There were no lights. Mr. Lukonen stated if you look at the Year Ending Statement for June if you compare to last month what the numbers were and what they are now. Mr. Lukonen stated if anyone has any questions he would be happy to answer them or e-mail them back. Mr. Lukonen reported for July all he has is a comparison to last year at this time of the County's revenues and the expenditures. Mr. Lukonen stated the budget has not been ratified yet so the budget estimate column is blank. Mr. Lukonen stated the County will not begin to receive property tax until a little later in the year. The expenditures for the County is pretty much even keel throughout the year The County usually has around \$2,500,000.00 or \$2,800,000.00 in expenditures each month. The revenues are a little more volatile. The County has only received \$501,000.00 total revenues thus far. Mr. Lukonen stated for the next couple of months the County will continue to see a deficit until the County starts getting the property tax revenues and other revenues in. Commissioner Burkhalter stated he would like to see the Budget Department every month after the Budget is ratified to give the Commission a running total of what was budgeted for. Commissioner Burkhalter stated to keep a running total of anything 101, 131, 207, etc. and anything that was budgeted for. Commissioner Burkhalter stated last year they spent \$1,900,000.00 out of the 101 than what was budgeted for. Commissioner Burkhalter stated if there could be a running total to see how much is being spent above what is budgeted. Mr. Lukonen stated the original budget that was approved and the budget that was approved with the amendments that was increased from \$27,500,000.00 to around \$29,900,000.00. Mr. Lukonen stated what was actually spent was not \$29,900,000.00. Mr. Lukonen stated the County spent around \$27,000,000.00. Mr. Lukonen stated the Budget Office does keep an active list of all the resolutions and it has all of the projects that were approved. Commissioner Burkhalter stated to keep this report simple. Commissioner Burkhalter stated he does not want those

numbers that are off setting. He just wants to see those expenses that are above and beyond. Chairman Harris asked Mr. Lukonen in looking at the 101 the actual under County buildings, 51800. Chairman Harris asked what those expenditures are. Mr. Lukonen stated that is Ronnie Bates' department and Maintenance and repair of buildings, fixing lights, plumbing etc. There were no lights. Mr. Lukonen moved on to the 122 fund. Mr. Lukonen stated there was not much to report on the 122 fund. Mr. Lukonen moved on to the 125 fund. Mr. Lukonen stated the County received Adequate Facilities Tax of \$90,697.00 and there has not been any money spent out of the 125 fund. There were no lights. Mr. Lukonen moved on to the 131 fund. Mr. Lukonen stated the County had received a decent amount of gasoline and motor fuel tax. Mr. Lukonen stated he would be happy to answer any questions. There were no lights. Mr. Lukonen moved on to the 151 fund. Mr. Lukonen stated the County received its usual interest and penalty taxes and the interest earned that you can connect to the investments report is \$68,377.00. There has not been any huge expenditures yet. There were no lights. Mr. Lukonen moved on to the 176 fund. Mr. Lukonen reported the County has not received the Wheel Tax for July yet. The County usually receives that between the 13th and the 20th of the month. There were no lights. Mr. Lukonen moved on to the 189 fund. Mr. Lukonen stated the County has not started on any of the projects. The miscellaneous charges are Trustee Commissions and the County revenues are the interest and penalties and usual taxes that the Trustee Issues. Mr. Lukonen moved on to the 207 fund. Mr. Lukonen stated there are the usual expenditures for Solid Waste. This fund is supported by Property Tax so you are seeing a huge deficit to start the year. There were no lights. Mr. Lukonen moved on to the 261 fund. There are bills being paid to them right now for services for the last part of June and July. The Other General Administration that is Central Maintenance basically paying for oil and parts to repair buses. There were no lights.

- D. 2014/2015 Supplemental Expenditure Report- Mr. Lukonen stated there is not a Supplemental Expenditure Report because it compares to the budget and there is not a budget to compare to.
- E. Cash Report-Budget Mr. Lukonen submitted the Cash report. (See Attached) Mr. Lukonen stated the County started out the month with \$99,000,000.00 and ended with \$92,000,000.00. Mr. Lukonen stated that you can see the receipts and disbursements and this will tell the story for the next couple of months on the receipts and disbursements. The receipts were \$5,000,000.00 and this includes the schools. The disbursements were at \$12,000,000.00 also including the schools. There were no lights. Mr. Lukonen stated he was asked by Commissioner Sumners to attach a fund balance report by the Cash Report and Mr. Lukonen has attached that. Mr. Lukonen stated this was configured by Director Weber when she came in and Mr. Lukonen has studied it and he can answer questions. Mr. Lukonen stated to keep in mind this is as of June 30 so the deficits the commission has been looking at even some of the surpluses in the funds that the County has seen this month are not included in these numbers. Commissioner Sumners stated this was what he was asking for and he appreciated it and he thinks it gives a glance at what they have in the unrestricted fund balance. Mr. Lukonen stated on the revenue expense report on page 61 you can see that revenue

number is actually a positive number and Mr. Lukonen stated that is a clerical error on his behalf. There is actually a surplus in that fund at June 30, 2015. Mr. Lukonen stated if you change that revenue number of \$1,010,731.36 to a negative that give you a surplus of \$211,464.19.

- F. Payroll-Overtime, Holiday, Excess Pay and Comp Time Report. Mr. Lukonen submitted the reports. (See Attached). Mr. Lukonen stated it shows the Overtime in comparison to last year. Mr. Lukonen stated you can see the July expenditures should be the same as the 2015/2016 fiscal year to date expenditure. In comparison to last year Mr. Lukonen stated the County is right about where we were at \$35,545.00 for a total of all the funds and last year the County was at \$35,871.00. There is about \$300.00 less in overtime. Mr. Lukonen stated this does include holiday pay for the Sheriff's Department and Jail which makes up \$14,595.00 of that. On Comp. Time Mr. Lukonen stated he wanted to point out the County did a good job in comparison to last year. Mr. Lukonen stated the County had reduced the liability by \$35,350.00. Last year the liability was only reduced by \$442,078.00. The liability is down \$364,332.00. There were no lights.

VII. PURCHASING:

- A. Completed Bids- (See Attachment) Mr. Harlan stated this would probably be the shortest purchasing report you will have. Mr. Harlan stated he would be glad to answer anything that is on this brief report. There were no lights.
- B. Schedule Bid Opening-Purchasing (See Attachment) There were no lights.
- C. Gov.-Deals (See Attachment). There were no lights.
- D. Capital Expenditures Report (See Attachment) There were no lights.

VIII. DELEGATIONS:

IX. RESOLUTIONS:

- A. **Resolution No. 08-15-21** Resolution Approving Agreement with the Department of Human Services, Division of Rehabilitation Services, Tennessee Business Enterprises. Commissioner Shackelford made a motion to approve. Seconded by Commissioner Sumners. There were no lights. Motion Approved.
- B. **Resolution No. 08-15-22** Resolution Approving Agreement with the Tennessee Wildlife Resources Agency. Commissioner Sumners made a motion to approve. Seconded by Commissioner Hazard. Commissioner Potts asked Mr. Allen if their office would be selling the stamps for the license. Mr. Allen stated he hoped to. Mr. Allen stated they will receive \$1.00 for every hunting license they sell. Mr. Allen stated the TWRA furnished all the tools, the computer, the machines that prints out the license. Mr. Allen stated hopefully in a year's time they will be selling a lot of Hunting and Fishing License. Commissioner Sumners asked about the non-refundable license agent fee of \$300.00. Mr. Allen stated that all fees have been waived. Commissioner Turner asked if the Clerk's office was still thinking of doing the Driver's License. Mr. Allen stated right now it is a matter of funding. The state has not finalized their budget yet. Mr. Allen stated they are

still in conversation with the renewing of the Driver's License. Commissioner Burkhalter asked if the Clerk's office would be able to sell the Federal Duck Stamps and the Federal Trout License. Mr. Allen stated he didn't think so right now. Chairman Harris called for the vote. All in favor. Motion Approved.

- C. Resolution No. 08-15-23** Resolution To Authorize Cash on Hand In The Maury County Circuit, General Sessions And Juvenile Court Clerk Office. Commissioner Shackelford made a motion to approve. Seconded by Commissioner Hazard. There were no lights. All in favor. Motion Approved.

X. New Business.

A. Property and Casualty Workman's Comp Insurance

Commissioner Shackelford stated he would like to bring in the County's agent or agents on Workman's Comp. Commissioner Shackelford stated this is one thing that needs to be looked at. Commissioner Shackelford stated as he looks across the board the top expenditure is payroll and the next is the health insurance and the Administration Committee is on that already. Commissioner Shackelford stated he feels this is one of the top five expenditures and when you get into the premiums the County is paying in excess of \$1,000,000.00 a year for Property and Casualty Workman's Comp Insurance there are things that you can transfer some of the risk or assume more risk or keep a higher deductible or maybe the County does not insure some things. Commissioner Shackelford stated that Workman's Comp is in excess of \$800,000.00 a year. When you get over \$100,000.00 in premium there is a lot of things that you can do in the area as far as risk financing. Commissioner Shackelford stated the hospital does not have a fully insured plan like Maury County Government does. Commissioner Shackelford stated the hospital is doing a high deductible plan and over the course of five years on the average they are saving a \$1,000,000.00 to \$1,500,000.00 over what you can do in a standard market. Commissioner Shackelford stated he thinks there is an opportunity to look at what Maury County has and use this time and studying the County's expenses. Commissioner Shackelford stated he would like to have the agents come in and bring the Committee up to speed on what the County has and when it comes the appropriate time look at some options as far as the Workman's Comp and whether or not the County wants to self-insure some things, take higher deductibles. Commissioner Shackelford thinks the insurance cost is something that could be looked at and he thinks the County could save some money. Commissioner Shackelford stated he thinks the County could accept more risk than the County is now and Commissioner Shackelford would like to see this committee investigate that over the coming months so that maybe next year that it would probably need to go out in a RFP and that would need to be done in February or March so those numbers could be brought before the Committee around budget time so all those numbers could be plugged in to each individual budget. Commissioner Shackelford stated if the committee could bring in our agents to get up to speed on what the County has and maybe some ideas could be created and maybe there is a different product the County hasn't been looking at and possibly see what the savings is. Commissioner Shackelford stated the renewal on the property casualty is July 1 and the health insurance is April 1. Purchasing Agent Buddy Harlan stated the Purchasing Department deals with the Property and Casualty side of the issue on a daily basis. The Workman's Comp coverage

is coordinated through the HR Department. Mr. Harlan stated he feels the Property and Casualty people would come and give presentations and try to work with the County in any way they can. Chairman Harris asked Purchasing Agent Harlan to set up a presentation for the Property and Casualty for October and Workman's Comp. for November. Purchasing Agent Harlan stated for the Budget Committee the County had filled out the paperwork for the State about the Health Insurance and there estimated premium came back higher than what the County was paying at the time. Commissioner Turner stated she would like to see a list of all the property that Maury County owns as a County and the dates on how long the County has held on to it. Chairman Harris stated the County is trying to get a total square footage that the County is occupying or using on a daily basis. Purchasing Agent Harlan stated he can give the committee as close of a list as he can but there are probably properties that were seized for back taxes and they were so far back that they are probably not aware of. The surplus properties the County has now the parcels are so small that you cannot do anything with them. Chairman Harris asked Purchasing Agent Harlan the actual properties that the County owns if there was a value accorded to them. Purchasing Agent Harlan stated there is. Purchasing Agent Harlan stated every 3rd year as a component of being a member of the insurance pool they send an appraiser down and they go through all of the county properties down to the last individual's fence and they assign a value to each one of those. Purchasing Agent Harlan stated it includes every shelter at the park, every convenience center, every county office building, and every fence. There is a separate category for lighting at the park or the football field. Purchasing Agent Harlan stated the sheet that he e-mailed to the Mayor he will go through his book and give the appraised value on those. Purchasing Agent Harlan stated there have been a lot of property that has been seized that do not have a lot of property on them but Maury County owns them and would like to get rid of them. Commissioner Turner stated if the commission is looking at avenues of generating revenue or whatever this may be a good time to do this. Commissioner Turner asked about the old Health Department building behind McDonalds. Commissioner Turner asked if the County still owned that. Purchasing Agent Harlan replied no the County sold that. Purchasing Agent Harlan stated when they built a new Health Department the revenue from that building was counted as part of the revenue to build the new building. Commissioner Turner stated to Purchasing Agent Harlan if he was to do what Chairman Harris suggested and get that information to the commission and maybe at your own pace and if it takes six months or more to get all this information maybe then the commission could see what they have as far as the County and what property they may be able to unload. Chairman Harris stated he would like to see the buildings that are in our day to day operations and then a separate one that is what Maury County has got that is for auction. Chairman Harris stated he would like to see the day to day operations, and then a separate one on what Maury County has got that is for auction. The first go around is the ones that are occupied as operation, the square footage and the value of those properties. Purchasing Agent Harlan stated he may be able to get that information by the end of the week. Commissioner Barner asked did any of that property include anything in the school system. Purchasing Agent Harlan replied no. Commissioner Barner asked Purchasing Agent Harlan if there was any way that Purchasing Agent Harlan could get the schools to give him a list of their properties as well. Purchasing Agent Harlan stated he would ask. Commissioner Previti asked if there was a digital copy of the book that Purchasing Agent

Harlan was talking about and if he could send that out. Purchasing Agent Harlan stated he would call the company and see if they had a digital copy. Commissioner Sumners asked about the mapping that Maury County has and does it not show the recorded property that Maury County owns. Purchasing Agent Harlan stated it does if it was included in the records. Purchasing Agent Harlan stated it would probably be a joint effort between him and the Register of Deeds office. Purchasing Agent Harlan stated that as good as mapping is it is not perfect. There were no lights.

Chairman Harris stated he would be sending out the evaluation form for Budget Director Weber and he stated he would get the committee a previous evaluation for everyone's information. Chairman Harris stated he would be asking to get those back before the next scheduled meeting.

Commissioner Previti asked if there was a copy of this budget on the website. Mr. Lukonen stated he would put it on there if they wanted it on the website. County Attorney Murphy stated the resolution was on the last meeting. Mr. Lukonen stated he would attach that to it.

XI Old Business:

XII. Announcements:

- A. There will be a Public Hearing Monday at 6:00 P.M. followed by the County Commission Regular Meeting, Monday, August 17, 2015 at 6:30 P.M. Tom Primm County Commission Room, Hunter-Matthews Complex.

XIII. Adjournment:

Motion was made to adjourn at approximately 5:35 P.M.

APPROVED


Charlie Norman, Jr., County Mayor

SIGNED

Craig Harris, Budget Committee Chairman

